

IN THE CLAIMS

1. – 8. (canceled)

9. (currently amended) A method for impounding escrow funds by an electronic funds processor (EFP) from payments made via electronic funds transfer (EFT) from credit/debit card transactions transacted between a merchant, the EFP and one or more credit/debit card issuers, the EFP and one or more credit/debit card issuers being interconnected by means of at least one computer network, wherein the credit/debit card transactions are electronically initiated by the merchant via a merchant point of sale (POS) credit/debit card terminal, are processed that communicates with the EFP, and are electronically processed by the EFP and the one or more credit/debit card issuers by an electronic funds processor (EFP), and wherein the credit/debit card transactions include authorization requests made by the merchant, authorized transactions granted by the one or more credit/debit card issuers, and payment requests made by the merchant concerning one or more authorized transactions, and payments made by the one or more credit/debit card issuers, the method comprising the steps of:

receiving ~~by the EFP~~ a payment request electronically transmitted by the merchant via the merchant POS terminal, said payment request concerning one or more authorized transactions;

determining ~~by the EFP~~ an escrow amount based on the one or more authorized transactions;

forwarding the payment request to at least one of the one or more credit/debit card issuers electronically via the at least one computer network;

receiving an EFT payment made by the at least one credit/debit card issuer via the at least one computer network for the one or more authorized transactions;

crediting ~~by the EFP~~ an a merchant escrow account by EFT with the escrow amount, said escrow amount being debited from the received EFT payment; and

crediting ~~by the EFP~~ a merchant account by EFT with a net ~~credit~~ payment for the one or more authorized transactions, said net payment being credited by an amount representing a equaling the received EFT payment ~~due concerning the one or more authorized transactions~~, reduced by the escrow amount;

wherein the determining, forwarding and crediting steps are executed by the EFP upon receipt of the payment request via the merchant POS terminal, without depending on subsequent action by the merchant.

10. (canceled)

11. (currently amended) The method of claim 9, wherein the net payment ~~credit~~ is further reduced by one or more service fees specified by a the one or more credit/debit card issuers.

12. (currently amended) The method of claim 9, wherein the net payment ~~credit~~ is further reduced by one a service fee specified by the EFP.

13. (previously presented) The method of claim 9, wherein a service fee specified by an escrow account provider is debited from the escrow amount.

14. (currently amended) The method of claim 13, wherein the escrow account provider is selected from the group consisting of ~~one~~ of the EFP, a merchant bank and other credit/debit card service providers.

15. (previously presented) The method of claim 9, wherein the escrow amount represents a tax owed with respect to the payment requests.

16. (previously presented) The method of claim 15, wherein the tax owed is determined as a function of a tax rate for a tax jurisdiction identified to the payment requests.

17. (currently amended) The method of claim 16, wherein the tax rate is associated with ~~at least one of~~ a schedule selected from the group consisting of sales tax schedules ~~schedule~~, a value-added tax schedules ~~schedule~~ and a garnishment schedules ~~schedule~~.

18. (previously presented) The method of claim 17, wherein the tax rate is increased by a predetermined amount over the tax rate of the jurisdiction to facilitate payment of back taxes.

19. (previously presented) The method of claim 9, wherein the escrow account is a merchant savings account.

20. (currently amended) The method of claim 9, wherein the determining step further comprises the steps of:

identifying ~~by the EFP that~~ one of the one or more authorized transactions is exempt from impounding escrow funds; and

determining the escrow amount based on the others of the one or more authorized transactions.

21. (previously presented) The method of claim 13, further comprising the step of providing the information about the escrow portion to at least one of the merchant and the escrow account provider.

22. (previously presented) The method of claim 21, wherein the information about an escrow portion is provided in combination with a sales draft.

23. (previously presented) The method of claim 9, further comprising the step of providing escrow account information to the merchant via a secure web site.

24. – 38. (canceled)

39. (currently amended) The method of claim 9, further comprising the step of:
forwarding ~~by the EFP a~~ an issuer payment request to ~~one of the~~ at least one of the
one or more credit/debit card issuers concerning one of the one or more authorized
transactions ~~transaction authorized by the one credit/debit card issuer;~~ and
~~so that the one credit/debit card issuer may directly credit~~ crediting the merchant
account with an EFT a payment ~~corresponding to the one authorized transaction~~ made by he
one credit/debit card issuer, said EFT payment corresponding to the one authorized
transaction;

wherein the net payment credit is further reduced by an amount corresponding to the one authorized transaction.

40., 41. (canceled)

42. (currently amended) The method of claim 9, the EFP further performing
~~comprising~~ the steps of:

receiving ~~by the EFP~~ a cash transaction report reported by the merchant;

determining ~~by the EFP~~ a second escrow amount based on the cash transaction
report;

debiting ~~by the EFP~~ the second escrow amount from a source of merchant funds; and

crediting ~~by the EFP~~ the merchant escrow account with the second escrow amount.